

**FEDERAL FISCAL YEAR 2019  
MONITORING REPORT  
ON THE  
PUERTO RICO  
VOCATIONAL REHABILITATION  
ADMINISTRATION  
VOCATIONAL REHABILITATION  
AND  
SUPPORTED EMPLOYMENT PROGRAMS**



**U.S. Department of Education  
Office of Special Education and  
Rehabilitative Services  
Rehabilitation Services Administration**

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# SECTION 1: THE SCOPE OF THE REVIEW

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## **A. Background**

Section 107 of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), requires the Commissioner of the Rehabilitation Services Administration (RSA) to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Rehabilitation Act to determine whether a VR agency is complying substantially with the provisions of its State Plan under Section 101 of the Rehabilitation Act and with the evaluation standards and performance indicators established under Section 106 of the Rehabilitation Act subject to the performance accountability provisions described in Section 116(b) of WIOA. In addition, the Commissioner must assess the degree to which VR agencies are complying with the assurances made in the State Plan Supplement for Supported Employment Services under Title VI of the Rehabilitation Act.

Through its monitoring of the State Vocational Rehabilitation Services program (VR program) and the State Supported Employment Services program (Supported Employment program) administered by the Puerto Rico (PR) Vocational Rehabilitation Administration (VRA) in Federal fiscal year (FFY) 2019, RSA—

- Assessed the performance of the VR and the Supported Employment programs with respect to the achievement of quality employment outcomes for individuals with disabilities, including those with significant and most significant disabilities; and
- Identified strategies and corrective actions to improve program and fiscal performance related to the following focus areas:
  - Performance of the State Vocational Rehabilitation Services and State Supported Employment Services Programs;
  - Pre-Employment Transition Services for Students with Disabilities;
  - Financial Management of the State Vocational Rehabilitation Services and State Supported Employment Services Programs; and
  - Joint Workforce Innovation and Opportunity Act Final Rule Implementation.

In addition, RSA reviewed a sample of individual service records to assess internal controls for the accuracy and validity of Case Service Report (RSA-911) data and service records to assess measurable skill gains (MSGs).

The nature and scope of this review and the process by which RSA carried out its monitoring activities, including the conduct of an on-site visit from June 24 through 27, 2019, is described in detail in the State Vocational Rehabilitation Services and State Supported Employment Services Programs Federal Fiscal Year 2019 Monitoring and Technical Assistance Guide.

## **B. Review Team Participants**

Members of the RSA review team included Terry Martin and James Billy (Technical Assistance Unit); April Trice, Brian Miller, and Nicole Jeffords (Vocational Rehabilitation Unit); David Miller (Fiscal Unit); and Yann Yann Shieh (Data Collection and Analysis Unit).

Although not all team members participated in the on-site visit, each contributed to the gathering and analysis of information, along with the development of this report.

### **C. Acknowledgements**

RSA wishes to express appreciation to the representatives of PR VRA for the cooperation and assistance extended throughout the monitoring process. RSA also appreciates the participation of others, such as the State Rehabilitation Council, the Client Assistance Program, advocates, and other stakeholders in the monitoring process.

## **SECTION 2: FOCUS AREA – PERFORMANCE OF THE STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAMS**

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### **A. Purpose**

Through this focus area, RSA assessed the achievement of employment outcomes, including the quality of those outcomes, by individuals with disabilities served in the VR program through conducting an analysis of VR program data and a review of individual service records. The analysis below, along with any accompanying findings and corrective actions, is based on a review of the programmatic data contained in Appendix A of this report. The data used in the analysis are those collected and reported by the VR agency.

### **B. Analysis of the Performance of the VR Program**

In September 2017, Puerto Rico experienced two category 5 hurricanes which resulted in profound island-wide destruction and the loss of many lives. Many of PR VRA's offices were flooded or severely damaged by wind. PR VRA's offices were inaccessible and, in some cases, closed for months, while the island remained without electrical power. Through the storm and over the months that followed, PR VRA staff and leadership carried on the work of the VR program to the best of their abilities. Given that the performance measures analyzed in the course of this review coincide with Hurricanes Maria and Irma and their aftermath, the RSA review team conducted its analysis of PR VRA's performance with the understanding that these were extraordinary times and that the data reflect these difficult realities.

### **VR Agency Profile**

**Resources:** Appendix A—Tables 1, 2, and 3

Despite the challenges faced by PR VRA in PY 2017, 2,376 participants in the VR program achieved a competitive integrated employment outcome, including those with supported employment, with an employment rate of 52.5 percent.

During PY 2017, 37.6 percent of participants were eligible for an MSG, but only 6.2 percent were reported as receiving an MSG.

PR VRA was not on an order of selection for any of the Federal fiscal years (FFY) 2015 through 2017, so no eligible individuals were placed on a waiting list during this period. PR VRA informed the RSA team that there were no plans to implement an order for the foreseeable future.

Individuals with cognitive Impairments (e.g., impairments involving learning, thinking, processing information, and concentration) represented 52.1 percent of all individuals served by PR VRA in PY 2017, or 28,438 participants. Individuals with psychosocial Impairments (e.g., interpersonal and behavioral impairments, difficulty coping), represented 19.9 percent, or 10,879

participants, and individuals with Other Mental Impairments constituted an additional 4.9 percent, or 2,678 participants.

## **The VR Process**

**Resources:** Appendix A—Tables 1, 2, 4, and 5

In PY 2017, 92.4 percent of applicants had an eligibility determination within the required 60 days. Performance for IPE development was not as strong, with 81.7 percent of individuals having an IPE developed within 90 days after an eligibility determination. Nine months of this PY occurred after the hurricanes, when thousands of Puerto Ricans were homeless, or left the island to live with family in Florida, or other States with large Puerto Rican communities. This, in part, explains why 3,099 individuals who had an IPE did not receive services in PY 2017, or as table 2 shows, 6.8 percent in FFY 2016, 8.5 percent in FFY 2017, and 9.7 percent in FFY 2018 had an IPE but received no services.

In PY 2017, 34.2 percent, or 2,151 individuals exiting the VR program, did so with an IPE but without an employment outcome. Despite the impact of the hurricanes in this program year, 38.5 percent, or 2,376 individuals, exited with competitive integrated employment. Of these outcomes, only 82 were in supported employment. PR VRA indicated to the review team that this figure is artificially low, possibly due to reporting errors in the case management system, but no corrected data were provided to the team during the review.

After accounting for those exiting with employment, or without employment after receiving services, the most common reason reported for individuals exiting the program was the broad category of “all other reasons,” with 29.5 percent, or 1,819 individuals, reported as having this reason for leaving the program. PR VRA shared that it was working closely with other VR agencies on the mainland to track down those VR consumers who moved to Florida, Illinois, New Jersey, and New York after the hurricanes, and that it had collaborative agreements with these other State VR agencies either to share caseloads or to transfer individuals to new VR programs.

## **VR Services**

**Resources:** Appendix A—Tables 6 and 7

An aggregate of 12.9 percent of participants received postsecondary training, with 7,038 individuals receiving graduate, bachelor’s, or junior college level training services. These were the most commonly provided training services, with job readiness a second, at 989 individuals, or 1.8 percent. PR VRA shared with the review team that the agency was committed to the provisions in WIOA that emphasize employment consistent with an individual’s career goals, rather than providing only those services sufficient for entry-level employment. Agency staff further noted that in Puerto Rico, it is very difficult to obtain any sort of entry-level position without postsecondary training, certification, or licensing.

Relatively few individuals received career services, with only 2.2 percent, or 1,188 individuals, receiving assessment services; 2.0 percent, or 1,075 individuals, receiving diagnosis and treatment of impairments; 5.8 percent, or 3,187 individuals, receiving counseling and guidance;

only 0.6 percent, or 314 individuals, receiving job search; and 0.3 percent, or 168 individuals, receiving job placement services.

In PY 2017, other services were more widely provided as follows: 14.2 percent, or 7,764 individuals, received transportation services; 16.0 percent, or 8,746 individuals, received maintenance; 0.6 percent, or 312 individuals, received rehabilitation technology; and 2.1 percent, or 1,153 individuals, received other services.

The range and scope of services was significantly reduced by the hurricanes, and the agency has been steadily working on rebuilding its relationships with community rehabilitation programs (CRPs), an issue it will address in the next comprehensive statewide needs assessment.

## **Quality of Employment Outcomes**

**Resources:** Appendix A—Tables 1, 4, 5, 6, 8, 9, and 10

The average hourly wage for the 2,375 individuals who exited the VR program with a competitive integrated employment outcome was \$8.00 in PY 2017, and the median hours worked per week was 38. Of these, 1,923 individuals, or 81.0 percent, reported their personal earnings as their primary source of support, whereas only 401 individuals, or 16.9 percent, were reported as having other sources of support. For medical insurance, 960 individuals, or 40.4 percent, reported receiving Medicaid benefits, while only 78 individuals, or 3.3 percent, received Medicare. Five hundred individuals, or 21.1 percent, reported receiving medical coverage from their employer, and 681, or 28.7 percent, through other means.

No single category defined by the standard occupational classification (SOC) codes accounted for more than thirteen percent of the 2,375 competitive integrated employment outcomes in PY 2017. The five most common employment outcomes by SOC code in this year were:

- Office and administrative support: 310, with average hourly earnings of \$7.50;
- Food preparation and serving: 248, with average hourly earnings of \$7.30;
- Sales and related occupations: 209, with average hourly earnings of \$7.30;
- Healthcare Practitioners and Technical Occupations: 188, with average hourly earnings of \$10.00; and
- Production occupations: 171, with average hourly earnings of \$7.50.

PR VRA commented to the review team that, even though it was committed to employment consistent with an individual's career goals, it was difficult to place individuals even in entry-level positions without postsecondary credentials.

## **Pre-Employment Transition Services**

**Resources:** Appendix A—Tables 11 and 12

In PY 2017, there were 36,246 students with disabilities reported by the PR VRA. Of this number, 3,618 students were reported as having a 504 accommodation, and 23,431 had an

individualized Education Program (IEP). Additionally, there were 9,207 students with disabilities with neither a 504 accommodation nor an IEP.

Of the students who received a pre-employment transition service, 3,351 were potentially Eligible Students with Disabilities and 2,033 were students with disabilities who applied for VR services. Of the 36,246 students with disabilities reported by PR VRA, 14.9 percent of students with disabilities received a pre-employment transition service.

### **C. Internal Controls**

The RSA review team assessed performance accountability in relation to the internal control requirements in 2 C.F.R. § 200.303. Internal controls mean a process, implemented by a non-Federal entity, designed to provide reasonable assurances regarding the achievement of objectives in the effectiveness and efficiency of operations, reliability of reporting for internal and external use, and compliance with applicable laws and regulations. Internal controls are established and implemented as a measure of checks and balances to ensure proper expenditures of funds. Internal controls serve to safeguard assets and prevent fraud, waste, abuse, and mismanagement. They include methods and procedures the grantee uses to manage the day-to-day operations of grant-supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved.

### **Policies and Procedures**

Prior to the on-site monitoring review, RSA requested documentation from PR VRA outlining policies and procedures related to the case service record; reporting on the RSA-911; and internal control process (e.g. ensuring data accuracy, reliability, and timely submission), along with a case file description used by agency staff to organize case files. PR VRA did not provide RSA with written policies and procedures for service record and internal control processes.

During the on-site review, PR VRA reported that its case management system uses the ‘Software AG’ program. PR VRA uses both electronic and paper files to maintain its case service records. The system entry has two different sections: Red is for 911 data elements, Blue is all other system required elements. Counselor technicians enter basic intake information, and qualified VR counselors enter the rest of the VR information.

The case management system requires all students with disabilities receiving pre-employment transition services to provide a Social Security number (SSN). This is a challenge for CRPs providing these services. Students receiving Pre-employment transition services are not required by law or regulation to provide an SSN, but may in cases where the SSN is available. However, PR VRA makes this a mandatory requirement.

In addition, the system does not have the capacity to store scanned documents. PR VRA reported that it uses an edit check program to review its data prior to submitting data to RSA. The system is more than 15 years old. At the time of the on-site review, PR VRA informed RSA that it was seeking a new case management system, that an RFP had been issued, and that an award had been granted earlier this year.



During the on-site review, RSA learned that supervisors generate weekly reports to track counselors' progress toward meeting the 60-day eligibility determination and the 90-day IPE development requirements. Supervisors conduct quarterly case service reviews, but it is unclear whether these are comprehensive or targeted case reviews. Similarly, the RSA team remained uncertain as to PR VRA's quality assurance review processes. There are no written policies and procedures as to how reviews are conducted. RSA found inconsistent case notes written in the case management system. Some VR counselors did not provide any case notes in the case note area related to wage follow-up, employment status, or closure information.

PR VRA has staff in its quality control and programmatic management office in charge of reporting RSA-911 data and updating RSA data collection based on the RSA-911 policy directive.

The director of the quality control office is responsible for developing the RSA-911 data collection tool and submitting accurate 911 data to RSA. During the on-site review, the PR VRA director of quality control demonstrated the data collection tool developed for staff training on completing the RSA-911 data collection instrument. Although the PR VRA quality control office director frequently sent out the updated reporting information to the field staff, this office did not engage in an informal review process, and the agency did not have a formal systematic service record review process to limit reporting errors. During the on-site review, PR VRA communicated its plan to convert the reporting tool to a formalized service record reporting policy and procedure for data internal controls, including the review process.

### **Service Record Review**

RSA conducted a review of 20 service records for participants who exited with competitive integrated employment or supported employment and 20 service records of participants who earned an MSG. The purpose of this review was to verify accurate reporting and that the service records contained documentation supporting data reported by the VR agency on the RSA-911. The results of that review are summarized in Appendix B. Of the service records reviewed for individuals who achieved a competitive employment outcome, none of the service records reviewed had all required documentation. Of the 20 service records reviewed for individuals who achieved an MSG, 20 percent had all required supporting documentation, while 80 percent included some discrepancies or did not have all required documentation.

Of the 20 service records reviewed with competitive integrated employment or supported employment outcomes, 85 percent had documentation in the service record verifying the date of application reported on the RSA-911 and 95 percent had documentation in the service record verifying the date of eligibility determination. Of the service records reviewed, 85 percent included documentation of the date of the most recent IPE and documentation verifying the reported start date of employment. Eighty-five percent of the service records reviewed included documentation verifying the employment outcome at exit, and 65 percent of the service records reviewed included supporting documentation of the hourly wages reported at exit. Inadequate supporting documentation of type of exit and date of exit was present in 35 percent and 0 percent of the cases reviewed, respectively.

Of the service records reviewed for individuals who achieved an MSG, 30 percent reflected service record dates that corresponded with the dates reported on the RSA-911 for the start date of initial VR service on or after IPE. As for the reported date enrolled during program participation in an education or training program leading to a recognized postsecondary credential or employment, 70 percent of the service records reviewed had the required documentation. For the service records in which an individual achieved an MSG through educational functioning level, two of three service records had the required documentation. For the service records in which an individual achieved an MSG through postsecondary transcript/report card, 65 percent of the service records reviewed had the required documentation, while 7 of 20 service records reviewed had the date of postsecondary transcript/report card that matched RSA-911 data. None of the cases had MSG reported in the secondary transcript report card, training milestone, and skills progression.

#### **D. Findings and Corrective Actions**

RSA's review of the performance of PR VRA in this focus area resulted in the identification of the following findings and the corresponding corrective actions to improve performance.

##### **2.1 Internal Controls for Management of the Federal Award, Data Accuracy and Validity, and Supporting Documentation**

**Issue:** Did PR VRA maintain effective internal controls over the Federal award to provide a reasonable assurance that it was managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award in accordance with 2 C.F.R. § 200.303. Did PR VRA's internal controls and policies ensure data accuracy and validity, and that case files adhered to the record of service requirements at 34 C.F.R. § 361.47. Specifically, in fulfilling these requirements, did the internal controls ensure that PR VRA adhered to the requirements for processing referrals and applications pursuant to 34 C.F.R. § 361.41, the development of the IPE pursuant to 34 C.F.R. § 361.45, and the requirements for closing the service record of an individual who has achieved an employment outcome pursuant to 34 C.F.R. § 361.56.

**Requirements:** Pursuant to 2 C.F.R. § 200.303, VR agencies are required to develop an internal controls process to provide reasonable assurances regarding the effectiveness and efficiency of operations, and reliability of reporting for internal and external use, to be implemented as a measure of checks and balances to ensure proper expenditures of funds, including the evaluation and monitoring of compliance with statutes, regulations and the terms and conditions of Federal awards. Furthermore, a State VR agency must assure, in the VR services portion of the Unified or Combined State Plan, that it will employ methods of administration that ensure the proper and efficient administration of the VR program.

An internal control deficiency would exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or correct processes that might lead to non-compliance with Federal and State requirements.

Pursuant to 34 C.F.R. § 361.47(a), VR agencies must maintain for each applicant and eligible individual a service record that includes, to the extent pertinent, documentation including, but not limited to, the individual's application for VR services, the individual's IPE, and information related to closing the service record of an individual who achieves an employment outcome. VR agencies, in consultation with the SRC, if the State has such a Council, must determine the type of documentation that the VR agency must maintain for each applicant and eligible individual in order to meet these requirements in accordance with 34 C.F.R. § 361.47(b).

VR agencies must, in accordance with 34 C.F.R. § 361.41(a), establish and implement standards for the prompt and equitable handling of referrals of individuals for VR services, including referrals of individuals made through the one-stop service delivery systems under Section 121 of WIOA. The standards must include timelines for making good faith efforts to inform these individuals of application requirements and to gather information necessary to initiate an assessment for determining eligibility and priority for services. Further, once an individual has submitted an application for VR services, including applications made through common intake procedures in one-stop centers under Section 121 of WIOA, an eligibility determination must be made within 60 days (34 C.F.R. § 361.41(b)(1)), unless specific circumstances make this determination impossible in accordance with 34 C.F.R. § 361.41(b)(1)(I) and (ii).

Additionally, Federal regulations in 34 C.F.R. § 361.45 outline the requirements for the development of the IPE and 34 C.F.R. § 361.46 outline the mandatory content of the IPE.

Pursuant to 34 C.F.R. § 361.56, the service records for individuals who have achieved an employment outcome may only be closed if: an employment outcome described in the individual's IPE in accordance with 34 C.F.R. § 361.46(a)(1) has been achieved and is consistent with an individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice; the employment outcome is maintained for an appropriate period of time, but not less than 90 days to ensure stability of the employment outcome and the individual no longer needs VR services; the outcome is considered to be satisfactory and agreed to by the qualified rehabilitation counselor employed by the DSU and the individual who must also agree that the individual is performing well in the employment; and the individual has been informed of post-employment services through appropriate modes of communication. Under 34 C.F.R. § 361.47(a)(15), prior to closing a service record, VR agencies must maintain documentation verifying that the provisions of 34 C.F.R. § 361.56 have been satisfied. More specifically, under 34 C.F.R. § 361.47(a)(9), VR agencies must maintain documentation verifying that an individual who obtains employment is compensated at or above minimum wage and that the individual's wage and level of benefits are not less than that customarily paid by the employer for the same or similar work performed by individuals without disabilities.

**Analysis:** As part of the monitoring process, RSA analyzed the internal controls implemented by PR VRA and reviewed 40 service records, which included 20 service records of individuals who achieved competitive integrated employment or supported employment, and 20 service records of individuals who achieved an MSG. During the review, RSA identified the following areas for which sufficient internal control processes need to be developed and/or strengthened.

## **Lack of/Insufficient Internal Control Policies**

Prior to the on-site review, RSA requested that PR VRA submit a field-level case review tool used by some of the VR counselors and supervisors as well as its policies and procedures related to case service record review and data quality assurance. However, RSA did not receive any of these requested documents. At the time of the on-site review, PR VRA had not implemented a comprehensive system of internal controls, such as case review policies and procedures implemented at the State or central office level that would inform quality assurance reviews and identify staff training needs. Based on the on-site discussions with the PR VRA management staff, RSA determined that PR VRA had neither established nor maintained a comprehensive system of effective internal controls nor sufficient policies and procedures to ensure consistency with applicable Federal requirements in accordance with 2 C.F.R. § 200.303.

## **Data Integrity**

Of the 20 service records reviewed for individuals who achieved a competitive integrated employment or supported employment outcome, none included all the required documentation for all of the data elements reviewed. In PR VRA's case management system closure section, the system generates an 'intent to close' letter which is used as a closure letter that does not reflect the exact date of when the case is closed. In addition, during the data performance discussion, RSA learned that PR VRA did not report services provided to participants correctly. The number and percentage of services provided are believed to be under-reported. Staff are not adequately identifying and reporting services in the case management system. The case management system lists the services on the IPE and another section requires counselors to check that the service is "authorized." However, if counselors do not check that the service is authorized, the service will not be reported on the RSA-911 even though the service was provided. For example, PR VRA reported that only 5.8 percent of participants received vocational guidance and counseling services. In addition, RSA found inconsistent case notes written in the case management system. Some counselors did not provide any case notes in the case note area related to wage follow-up, employment status, or closure information. Written policy and training are needed.

Fifteen percent of the service records reviewed for competitive integrated employment outcomes did not include information that matched what was reported on the RSA-911 for date of application or date of IPE development. Twenty-five percent of the service records reviewed did not include information that matched what was reported on the RSA-911 with respect to the start date of employment in primary occupation at exit, or the date of closure. Furthermore, 40 percent of service records reviewed did not include information that matched the hourly wage at exit or closure when comparing what was reported on the RSA-911. This may be due, in part, to the use of an "intent to close" letter that is sent to VR consumers, and which is often included in the case file in place of a closure letter that includes the required information and signatures.

PR VRA reported that it had an informal process through which all eligibility determinations and IPEs are administratively tracked by the VR supervisors weekly as an internal control to limit errors made by VR staff entering information into its case management system. Despite this, no other internal controls had been implemented at the time of the on-site review to ensure that all information in the case service record matched the information reported in the case management system and on the RSA-911.

## **Lack of Supporting Documentation**

None of the service records reviewed included required documentation to substantiate the date of exit. Fifteen percent of the service records reviewed did not include required documentation to substantiate the date of application, the date of IPE implementation, or the start date of employment in primary occupation at exit. Thirty-five percent of the service records reviewed did not include required documentation to substantiate the hourly wage at exit, and 40 percent of the service records reviewed did not include required documentation to substantiate employment status at exit. Upon review of eligibility determination, one service record did not include the signature of the VR counselor.

The results of the service record review demonstrated that the documentation PR VRA maintained in its service records was insufficient in terms of verifying date of application, date of eligibility determination, date of IPE, start date of employment in primary occupation at exit, hourly wage at exit, employment status at exit, type of exit and date of exit. As a result of the case review, RSA determined that the requirements for case closure, including the maintenance of documentation, in 34 C.F.R. § 361.47(a) and 361.56, were not met during the period of review.

## **MSG**

While on-site, RSA reviewed 20 service records of participants who earned an MSG. As a result, RSA identified a number of reporting insufficiencies, including: the start date of the initial VR service on or after IPE development; and the date enrolled during program participation in an education or training program leading to a recognized postsecondary credential or employment. Sixteen of the 20 service records reviewed did not include required documentation for all data elements.

Of the service records reviewed for those individuals who earned an MSG, 30 percent, or six service records, did not include a start date for the initial VR service on or after IPE development that matched the data reported to RSA. Similarly, 60 percent, or 12 service records reviewed in which the MSG was substantiated by a postsecondary transcript or report card, did not include dates that matched what was reported on the RSA-911. These same 12 service records also did not include supporting documentation that substantiated the dates that appeared in the case files. One case file did not include either electronic or paper substantiation for the date of the most recent MSG for educational functioning.

As a result, PR VRA did not submit accurate reports as required by 34 C.F.R. § 361.40. At the time of the review, internal controls had not been developed or implemented to ensure that the information reported was substantiated by documentation included in the service record.

## **Intent to Close Letter**

Prior to closing the service record of an individual who achieves an employment outcome, 34 C.F.R. § 361.56(c) requires agreement from the VR counselor and the individual that the employment outcome is satisfactory, and that the individual is performing well in employment. The individual is also to be informed through appropriate modes of communication of the availability of post-employment services. PR VRA's practice of

sending an “intent to close” letter to VR consumers prior to closing a case is not sufficient to document compliance with these requirements.

Based on the results of the service record review and lack of case closure procedures, and insufficient internal controls to verify satisfactory employment and ensure the uniform application of case closure procedures, PR VRA is not in compliance with 34 C.F.R. § 361.56.

While on-site, RSA identified the need for revisions to existing policies and development of additional written policies and procedures governing the provision of services for individuals with disabilities in accordance with 34 C.F.R. § 361.50. At the time of the review, PR VRA did not have written policies or procedures specific to the requirements for reporting MSG and other performance accountability measures, which may have contributed to the insufficient identification and reporting of MSGs. Furthermore, internal controls had not been developed or implemented to ensure the accurate reporting of MSGs, as well as the maintenance of supporting documentation to substantiate the gains reported.

**Conclusion:** As a result of the analysis, RSA determined that PR VRA is not maintaining effective internal controls over the Federal award that would provide a reasonable assurance that PR VRA is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award in accordance with 2 C.F.R. § 200.303. Furthermore, RSA determined that PR VRA has not implemented written policies, procedures, or internal controls that ensure the accurate reporting of information for individuals who achieved competitive integrated employment or supported employment and participants who achieved an MSG as required in 34 C.F.R. § 361.40; case files and supporting documentation that adhere to the service record requirements in 34 C.F.R. § 361.47; the timely development of the IPE pursuant to 34 C.F.R. § 361.45; and the adherence to the requirements for closing the service record of an individual who has achieved an employment outcome pursuant to 34 C.F.R. § 361.56.

**Corrective Action Steps:** RSA requires that PR VRA—

- 2.1.1 Develop and implement a comprehensive system of effective internal controls and sufficient policies and procedures to ensure consistency with applicable Federal requirements in accordance with 2 C.F.R. § 200.303; the timely development of IPEs pursuant to 34 C.F.R. § 361.45(e); and case closure requirements and maintenance of documentation requirements in 34 C.F.R. § 361.47(a) and 361.56;
- 2.1.2 Develop service record review instruments for conducting both State and local level management- and peer-led service record reviews; and
- 2.1.3 Develop mechanisms to collect and aggregate the results of these reviews and use the results to inform training and evaluation of staff.

**Agency Response:**

- 2.1.1 The Vocational Rehabilitation Administration (VRA) has internal procedures and controls with Federal requirements consistent with 2 C.F.R. § 200-303. In terms of 34 C.F.R. § 361.45(e) Section VRA Procedure, the agency has normative communication about how to develop the Individualized Plan for Employment.

While, in terms of Section 34 C.F.R. § 361.47(a) and 361.56, the VRA contains many procedures about specific provisions for the service model and documentation of the service files of the VRA applicants/consumers (follow up in employment, closing rehabilitated (Status 26) minimum indicators to close a record of services in the rehabilitated category (Status 26), among others.

2.1.2 The VRA is immersed in reinforcing current public policy, which is why many review controls have been developed and implemented for compliance with the service provision process, both at the State and Federal level. These controls are tools for measuring compliance with the differences in process, among these are the following:

- Document for the review of records
- Table of eligibility criteria
- Transition services monitoring
- Document for the review of files of qualified ineligible cases
- Document for the review of records
- Closing services with employment results

2.1.3 All the instruments and/or service record review forms mentioned in the previous section (2.1.1.2) are intended to use their results to identify the level of compliance with the VRC, as well as their areas of need. In this way, different action plans are developed to meet the needs through:

- Training both VRC's and the level of supervision
- Action plans at the individual level, by supervised group and at the regional level

In accordance with the above, the ARV in the Vocational Rehabilitation Counseling Supervision Manual established the protocol and content to strengthen and develop the skills of the Vocational Rehabilitation Counselor (VRC) increase their knowledge and improve the provision of services to applicants/consumers.

As a proactive action, the VRA will develop new training to offer them the tools and skills necessary to comply with the indicated years.

**RSA Response:** RSA appreciates the steps PR VRA has taken and its plans for additional activities to resolve the finding. RSA will assess the effectiveness of these steps through the corrective action plan developed by PR VRA in response to this report.

### **E. Technical Assistance**

In the course of conducting monitoring activities, RSA provided technical assistance to PR VRA as described below.

- RSA reviewed the internal control requirements in 2 C.F.R. § 200.303 and provided technical assistance on how to maintain sufficient documentation in the service record to address the requirements in 34 C.F.R. § 361.47.

- RSA provided technical assistance to PR VRA on its performance related to the development and implementation of IPEs within the required 90 days after eligibility determination. PR VRA's performance on this measure was 81.7 percent in PY 2017. The team emphasized its understanding that the VR agency's performance on this measure reflected the significant impact of the Hurricanes in PY 2017. The agency shared with the team its efforts to re-engage with the community following the destruction of several of its offices, as well as the relocation of tens of thousands of residents following the storms.
- RSA provided technical assistance to PR VRA on its performance related to the number of applications received, which dropped from just over 11,000 in FFY 2016, to just under 7,000 in FFY 2018. Additionally, the team discussed PR VRA's performance with respect to individuals with an IPE who received no services during this same period of review, which grew from 6.8 to 9.6 percent. The agency explained that many of the individuals who had an IPE relocated to Florida, with which PR VRA has an agreement to help track Puerto Ricans who moved there as a result of the storm.
- RSA provided technical assistance to PR VRA on the population served, specifically, with respect to disability types. According to Table 3, over 80 percent of the individual's PR VRA serves are under 25 years old. PR VRA staff explained that to some degree this reflected the demographics of the island, where, due to residents relocating to the mainland United States, there is a disproportionate number of young and much older individuals living in the community. Despite this reality, the team encouraged PR VRA to explore ways to reach out to the roughly fifty percent of the island's residents who are between 25 and 75 years old.
- RSA and PR VRA discussed how to better report services provided, as the agency reported relatively few training, career, or other services to the more than 55,000 individuals with an IPE receiving services from FFY 2016 through FFY 2018.
- RSA provided technical assistance to PR VRA on the quality of employment outcomes. Even as it lauded the agency for providing a relatively high percentage of postsecondary educational services, the types of outcomes achieved and wages earned as shown in Table 9 did not reflect this investment. The VR agency noted that requirements for even low-level positions in Puerto Rico were high. For example, someone wishing to work as a stock clerk or customer service representative at an auto shop had to have a certificate of auto maintenance in order to obtain an entry-level position in a retail setting.
- RSA provided technical assistance to help the VR agency improve its accuracy in reporting MSGs. MSGs are likely significantly under-reported given the demographics of those served. In PY17, 85 percent of participants were 24 and under, and most of them enrolled in postsecondary education. During the service record review process, the RSA team encountered an instance in which the individual was clearly still in secondary school, but a secondary education diploma was not an IPE goal. These instances, if commonplace, would result in fewer MSGs being reported than had actually been acquired.
- RSA provided technical assistance to PR VRA staff to ensure the accurate collection and reporting of all data elements required for the RSA-911 report. Specifically, RSA suggested that the PR VRA team review PD 16-04 carefully to understand how each data element is coded, definitions, and 911 data reporting requirements. RSA also reviewed TAC-17-01 and TAC-19-01 with PR VRA staff.



- RSA explained to the PR VRA data team how data in the monitoring tables were calculated.
- RSA provided the joint RSA/ Workforce Innovation Technical Assistance Center (WINTAC) Measurable Skill Gains Guide for PR VRA staff, the joint RSA/WINTAC Credential Attainment Guide for PR VRA staff, and the RSA/WINTAC Effectiveness in Serving Employers Crosswalk.
- Upon request, RSA provided PR VRA the annual employment rates over the past ten years to underscore the importance of this performance measure despite it no longer being one of the indicators under the Standards and Indicators previously monitored by RSA.
- RSA reviewed and explained key issues identified in PR VRA's PY18Q3 dashboard to be analyzed for further improvement of performance.
- RSA clarified the RSA-911 field DE22-"Student with Disability" and provided the technical assistance regarding coding for students who aged out as a student with a disability.
- RSA provided technical assistance on the RSA-911, including the development of ad hoc scripts to effectively validate data and documentation for reported data elements, and the use of ad hoc queries.

## **SECTION 3: FOCUS AREA—PRE-EMPLOYMENT TRANSITION SERVICES FOR STUDENTS WITH DISABILITIES**

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### **A. Purpose**

The Rehabilitation Act, as amended by Title IV of WIOA, places heightened emphasis on the provision of services, including pre-employment transition services under Section 113, to students with disabilities to ensure they have meaningful opportunities to receive training and other VR services necessary to achieve employment outcomes in competitive integrated employment. Pre-employment transition services are designed to help students with disabilities to begin to identify career interests that will be explored further through additional VR services, such as transition services. Through this focus area the RSA review team assessed the VR agency's performance and technical assistance needs related to the provision of pre-employment transition services to students with disabilities.

### **B. Implementation of Pre-Employment Transition Services**

The VR agency must consider various requirements in providing or arranging for the provision of pre-employment transition services for students with disabilities under Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a). Students with disabilities may receive pre-employment transition services as either potentially eligible or eligible individuals for the VR program. A discussion of PR VRA's service delivery system and implementation of pre-employment transition services follows.

#### **Structure of Service Delivery**

Pre-employment transition services are provided to students with disabilities between the ages of 14 and 21 who are eligible or potentially eligible for VR services throughout the Commonwealth of Puerto Rico. Pre-employment transition services are provided by Transition Analysts, VR Counselors, and CRPs. Pre-employment transition services activities are tracked and entered in the agency's case management system by Transition Analysts and VR Counselors. However, regional supervisors and managers are responsible for certifying those activities to ensure the information provided to the agency is accurate. Students can be referred to PR VRA by their special education teachers, CRPs, family members, or representatives. Students may also self-refer. In addition, PR VRA developed a pre-employment transition services referral form which includes demographic information such as student name, date of birth, current grade, county of residence, social security number (if available), high school attended, gender, race, and official signatures. The referral form also requests a copy of the student's IEP or 504 plan. Pre-employment transition services are provided in group settings and on an individualized basis and are purchased under PR VRA's VR fee schedule.

#### **Outreach and Planning for the Delivery of Pre-Employment Transition Services**

PR VRA ensures that all required activities as described in Section 113(b) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(2) are made available to or arranged for students with disabilities throughout the Commonwealth. At the start of each school year, Transition Analysts are

responsible for providing orientation to school staff, students, and parents about VR services, including pre-employment transition services. PR VRA also reported that its VR counselors and Transition Analysts are assigned to each high school throughout the Commonwealth and are active in attending staff and IEP meetings.

Although PR VRA's outreach policies and procedures are currently under development, PR VRA indicated that it would continue to target all students with disabilities who are eligible and potentially eligible for pre-employment transition services. PR VRA also placed emphasis on identifying students through home school associations and targeting students on the autism spectrum. In addition, the agency indicated that it will increase its opportunities to collaborate with private schools, Puerto Rico's State Council on Developmental Disabilities, Job Corp, the University of Puerto Rico, and America's Job Centers.

PR VRA completed its WIOA State Plan and Comprehensive Statewide Needs Assessment (CSNA) in FFY 2016 and 2017, respectively. Amendments to the WIOA State Plan were made and submitted to RSA for review in FFY 2018. CSNA findings revealed pre-employment transition service gaps throughout the commonwealth and the need to improve capacity and service delivery in areas that have dense populations. PR VRA identified the following needs.

- Develop and implement interagency coordination procedures specific to pre-employment transition services to promote uniformity throughout PR VRA's six regions.
- Increase the presence of transition analysts in schools throughout the commonwealth to provide information about VR services, including pre-employment transition services.
- Strengthen collaboration between PR VRA and the Puerto Rico Department of Education (PR DOE) to facilitate and identify students who can benefit from transition services, including pre-employment transition services.
- Provide formal training to education officials and parents or guardians on transition processes and services offered by PR VRA.
- Increase learning opportunities for students with disabilities in the areas of career exploration, communication skills, money management, appropriate work conduct, requesting classroom accommodations, and academic counseling (i.e., studying techniques and academic planning), and job development and placement.
- Provide pre-employment transition services throughout the commonwealth.
- Hire more specialized professionals, including vocational evaluators, vocational counselors, counseling generalists, and transition analysts.

As a result of these findings, and the statutory requirements to implement pre-employment transition services, the agency reported that it has participated in PR DOE's Special Education Consulting Committee and increased student participation in its Centers of Assessment and Adjustment by providing a job exploration workshop to 89 students and 13 PR DOE education officials throughout the Commonwealth. The Mayaguez Region of Puerto Rico also provided eight occupational skills workshops to 197 junior and senior high school students. Additionally, PR DOE and PR VRA formalized an agreement with Job Corp to exchange referrals among programs to provide services to students with disabilities. The agency reported that it will continue to target all students with disabilities by increasing its presence in schools and disseminating information about VR services to community members, parents, and school officials.

## **State Educational Agency Agreement**

PR VRA and PR DOE work collaboratively to provide pre-employment transition services to students with disabilities. At the time of the on-site visit, PR VRA and PR DOE's formal interagency agreement had expired and they were in the initial stages of updating the agreement. RSA recommended that PR VRA review WINTAC and National Technical Assistance Center on Transition's (NTACT) technical assistance on interagency agreement examples and discussion prompts for the development of an interagency agreement (State and Local) and RSA-issued guidance on the formal interagency agreements between State VR agencies and SEAs, in order to ensure the interagency agreement includes regulatory and statutory changes as a result of WIOA. Subsequently, the agencies executed an agreement containing all required content effective December 16, 2019.

## **Provision of Pre-Employment Transition Services**

At the time of the review, PR VRA was in the process of updating its pre-employment transition services policies and procedures. In the interim, the agency had issued Normative Communication to staff, which provides guidance on how to carry out pre-employment transition services activities. PR VRA currently participates in an intensive technical assistance agreement with the WINTAC. The technical assistance agreement outlines strategies PR VRA can engage in to develop and implement policies and procedures related to the provision of pre-employment transition services, including availability of pre-employment transition services throughout the Commonwealth for students with disabilities, and to develop trainings for VR leadership, field staff, and CRPs specific to pre-employment transitions services.

In PY 2017, PR VRA reported 36,246 students with disabilities in its case management system. Of the total students reported, 5,384, or 14.9 percent, received pre-employment transition services. Of these, 3,351 potentially eligible students with disabilities received pre-employment transition services, and 2,033 students with disabilities who applied for VR also received a pre-employment transition service. RSA and PR VRA discussed the following five required activities and the types of services and activities provided to students with disabilities throughout Puerto Rico.

- **Job Exploration Counseling-** These services include administration of vocational interest inventories; discussion of labor market information (i.e., in-demand occupations and industries and review of wage and hour information for occupations); job interview techniques (i.e., informal interviews); and discussion of non-traditional employment options.
- **Work-based Learning Experiences-** On March 18, 2019, the Governor of Puerto Rico signed an executive order for public and private employers to assist PR VRA in facilitating work-based learning experiences for students with disabilities. As a result, PR VRA has signed 50 work-based learning experience collaborative agreements. Students participate in paid and non-paid work experiences activities at community-based businesses to obtain firsthand knowledge of work requirements, including appropriate worksite behaviors, adhering to assigned work schedules, expectations of productivity/output, and how to request accommodations. Students have been placed in agricultural and maintenance settings and clerical and administrative work.

- Counseling on Opportunities for Enrollment in Comprehensive Transition or Postsecondary Educational Programs- Students participate in university and/or college tours; discussion of college majors and course offerings; requesting classroom accommodations; completing application and admission processes and financial aid alternatives; and obtaining assistive technology.
- Workplace Readiness Training- This training covers soft skills and interpersonal skills training (e.g., time management, communication, problem-solving, teamwork, and appropriate work behaviors).
- Self-Advocacy- This includes counseling on self-awareness and decision-making processes (e.g., assertiveness, requesting help, and monitoring progress); and postsecondary self-advocacy training (e.g., how to speak to professors and work with disability support services).

In addition, PR VRA received approval to purchase a mobile Unit, a multi-purpose facility to make pre-employment transition services accessible to students with disabilities throughout the Commonwealth. Activities provided in the mobile unit include: Administration of vocational interest inventories and review of labor market information (e.g., in-demand industries and occupations). PR VRA also plans to use the mobile facility for other VR services, including vocational exploration activities for IPE development.

PR VRA and RSA also reviewed the statutory and regulatory requirements related to the provision of the nine authorized activities as described in Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(3). At the time of the on-site visit, PR VRA 's efforts were focused on providing the five required activities. However, the agency had received technical assistance from the WINTAC on how to determine if the reserved funds may be used for authorized activities.

### **C. Findings and Corrective Actions**

RSA's review of PR VRA in this focus area did not result in the identification of findings and corrective actions to improve performance.

### **D. Technical Assistance**

In the course of conducting monitoring activities, RSA provided technical assistance to PR VRA as follows:

- RSA clarified that financial responsibilities between PR VRA and its providers must be made at the local level and the agency should include the information in its formal interagency agreement to assist LEAs and local VR offices with determining which entity is responsible for providing funding and services that are similar under the Rehabilitation Act and IDEA. For example, RSA provided technical assistance specific to services that are customarily provided by VR agencies and LEAs.
- RSA discussed with PR VRA the need to develop and maintain policies and procedures covering the nature and scope of each of the VR services specified in 34 C.F.R. § 361.48, including pre-employment transition services.

- RSA informed PR VRA that it should use the full definition of a “student with a disability” as described in Section 7(37) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(51) when citing the definition in its policies and procedures or other documentation specific to pre-employment transition services.
- RSA clarified that work-based learning experiences may include opportunities that are in school, after school, or outside the traditional school setting. Further, RSA informed PR VRA that work-based learning experiences may include: Job shadowing, career mentorship, informational interviews, paid internships, non-paid internships, practicum, service learning opportunities, student-led enterprises, simulated workplace experiences, paid work experiences, non-paid work experiences, volunteering, and workplace tours or field trips.
- RSA clarified that if work-based learning experiences are paid experiences, students with disabilities must be paid competitive wages to the extent competitive wages are paid to students without disabilities. If work-based learning experiences are paid, VR agencies may reimburse employers for competitive wages paid to the students or agencies may pay the students directly through a stipend.
- RSA informed PR VRA that students with disabilities can receive pre-employment transition services in the summer between high school and college. However, the agency will need to demonstrate that the student with a disability is enrolled in a recognized education program by obtaining the following documentation: (a) the individual with a disability graduated from secondary education; (b) the individual with a disability has been accepted into a postsecondary education institution or program; (c) the individual with a disability had confirmed that they had accepted the invitation to enter the postsecondary program; and (d) the individual with a disability has been informed by the institution that the individual’s “seat” or “spot” is being held.
- RSA clarified that States may expend funds reserved for the provision of pre-employment transition services on auxiliary aids and services for students with disabilities with sensory and communicative disorders who require such services to access pre-employment transition services. RSA has provided clarification of this policy in its notice of interpretation published in the Federal Register on February 28, 2020. This notice also contains a second policy interpretation describing circumstances under which funds reserved for pre-employment transition services may be used to pay for VR services listed on an eligible student’s IPE, such as assessment services, so that the student can benefit from pre-employment transition service required activities.

## **SECTION 4: FOCUS AREA – FINANCIAL MANAGEMENT OF THE STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAMS**

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### **A. Purpose**

Through this focus area RSA assessed the financial management and fiscal accountability of the VR and Supported Employment programs to ensure that: funds were being used only for intended purposes; there were sound internal controls and reliable reporting systems; available resources were maximized for program needs; and funds supported the achievement of employment outcomes for individuals with disabilities, including those with the most significant disabilities, and the needs of students with disabilities for pre-employment transition services.

### **B. Scope of Financial Management Review**

During the monitoring process, RSA reviewed the following areas related to financial management and accountability:

#### **Period of Performance**

Period of performance is the time during which the non-Federal entity (grantee) may incur new obligations to carry out the work authorized under the Federal award (2 C.F.R. § 200.77). In order to accurately account for Federal and non-Federal funds, the VR agency must ensure that allowable non-Federal and Federal obligations and expenditures are assigned to the correct FFY award. RSA uses the financial information reported by the grantee to determine each VR agency's compliance with fiscal requirements (e.g., reservation of funds, matching, MOE, etc.). The RSA review team assessed PR VRA performance in meeting the period of performance requirements related to the proper assignment of obligations and expenditures to the correct grant award(s).

#### **VR Program Match**

VR program regulations require that the State must incur a portion of expenditures under the VR services portion of the Unified or Combined State Plan from non-Federal funds to meet its cost sharing requirements (34 C.F.R. § 361.60). The required Federal share for expenditures made by the State, including expenditures for the provision of VR services and the administration of the VR services portion of the Unified or Combined State Plan, is 78.7 percent. The State's share is 21.3 percent. The RSA review team assessed PR VRA performance in meeting the matching requirements for the VR program, including whether the matching level was met, as well as whether the sources of match were consistent with Federal requirements and any applicable MOE issues.

The RSA review team addressed requirements pertaining to State appropriations and interagency transfers, which are the sources of non-Federal share used by PR as match for the VR program.

## **Supported Employment Program Match**

Supported Employment program regulations require that the State expend 50 percent of its total Supported Employment program allotment for the provision of supported employment services, including extended services, to youth with the most significant disabilities. The Supported Employment program funds required to be reserved and expended for services to youth with the most significant disabilities are awarded through the SE-B grant award. The Federal share for expenditures from the State's SE-B grant award is 90 percent. The statutorily required 10 percent match requirement applies to the costs of carrying out the provision of supported employment services, including extended services, to youth with the most significant disabilities. This means that the 10 percent is applied to total expenditures, including both the Federal and non-Federal shares, incurred for this purpose, and that the non-Federal share must also be spent on the provision of supported employment services, including extended services, to youth with the most significant disabilities.

The RSA review team assessed the matching requirements for the Supported Employment program, including an assessment of whether the matching level was met, as well as whether the sources of the match were consistent with Federal requirements.

## **Prior Approval**

The Uniform Guidance (2 C.F.R. § 200.407) requires prior written approval (prior approval) for various grant award activities and proposed obligations and expenditures. RSA reviews and approves prior approval requests on behalf of the Department of Education. The RSA review team examined PR VRA internal controls to ensure that the VR agency is meeting the prior approval requirements.

## **Vendor Contracts**

The RSA team reviewed three areas related to vendor contracts:

- Determining rates of payment;
- Supporting documentation for payments; and
- Contract monitoring.

## **C. Findings and Corrective Actions**

RSA's review of PR VRA's performance in this focus area resulted in the identification of the following finding and the corresponding corrective actions to improve performance.

### **Finding 4.1 Internal Control Deficiencies**

**Issue:** Does PR VRA maintain effective internal control over the Federal award to provide reasonable assurance that it is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award.



**Requirement:** A State VR agency must assure, in the VR services portion of the Unified or Combined State Plan, that it will employ methods of administration that ensure the proper and efficient administration of the VR program. These methods of administration (i.e., the agency's internal controls) must include procedures to ensure accurate data collection and financial accountability (34 C.F.R. § 361.12).

“Internal controls” means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of reporting for internal and external use; and
- Compliance with applicable laws and regulations (2 C.F.R. § 200.61).

Additionally, 2 C.F.R. § 200.303, among other things, requires a non-Federal entity to—

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States and the *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission;
- Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards;
- Evaluate and monitor the non-Federal entity's compliance with statute, regulations and the terms and conditions of Federal awards; and
- Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

In accordance with the Uniform Guidance (2 C.F.R. § 200.302(a)), a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the—

- Preparation of reports required by general and program-specific terms and conditions; and
- Tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

In its guidance titled *The Role of Internal Control, Documenting Internal Control, and Determining Allowability & Use of Funds*, the Department states that internal controls represent those processes by which an organization assures operational objectives are achieved efficiently, effectively, and with reliable, compliant reporting.

Therefore, an internal control deficiency would exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned

functions, to prevent or correct processes that might lead to non-compliance with Federal and State requirements.

**Analysis:** RSA found several areas of concern that fall within this internal control finding. These areas are identified below.

**A. Missing, Incomplete, Undated, or Inaccurate Policies.** Many of PR VRA's documented policies are undated and several contain outdated or incorrect information that is inconsistent with current Federal regulations and the terms and conditions of its awards.

1. **Missing Establishment Authority Policy.** Because PR VRA does not have policies governing the establishment, development, or improvement of a CRP, it must develop those policies consistent with 34 C.F.R. §§ 361.5(c)(16) & (17), and 361.49(a)(1) and (b), and 2 C.F.R. § 200.303. The development and adoption of these policies involves pre-planning activities, including, in part, the identification of the need in a comprehensive state-wide needs assessment, consultation with the Client Assistance Program and the State Rehabilitation Council, and a public hearing or hearings to provide for public comment on this change in policy, consistent with 34 C.F.R. § 361.20. The VR program regulations include multiple references to establishment authority requirements in various locations throughout the regulations.

Because PR VRA submitted several requests for construction and capital improvements to CRP facilities affected by natural disasters, it is important for the policy to address the special circumstances under which the construction of a facility for a CRP as defined in 34 C.F.R. §§ 361.5(c)(10), 361.5(c)(16), and 361.5(c)(17) are met, and when those circumstances are to be identified in prior approval requests as an authority under which the request includes costs for construction. See 34 C.F.R. § 361.49(a)(1).

Additionally, it is important to note that when submitting prior approval requests for costs associated with the establishment, development, or improvement of a CRP, PR VRA must also meet Federal requirements pertaining to property trust relationships and the Federal interest (2 C.F.R. §§ 200.316 & 200.410. See Finding 4.1.B, below.

2. **Missing Program Income Policy.** PR VRA policy does not include any processes related to the handling and reporting of program income. PR VRA policy also states no program income is reported for its programs. The policy that no program income is reported puts the program at risk if program income is ever generated in the future; therefore, PR VRA policy needs to include steps for staff to take in the event any of its programs generate program income.
3. **Incomplete Supported Employment Policy.** PR VRA's Supported Employment policies lack differentiation between the Supported Employment A and B awards. In FFY 2018, the Supported Employment award was split into awards A and B so

that grantees could accurately report non-Federal share requirements. Because the grant is now awarded through two distinct Federal Award Identification Numbers (FAINs), and PR VRA has no documented policies that address the additional Federal financial reporting and oversight control activities necessitated by two distinct FAINs, PR VRA is not in compliance with 2 C.F.R. § 200.302(a), which requires a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, be sufficient to permit the preparation of reports required by general and program-specific terms and conditions.

4. **Undated Policies.** Undated policies, including undated revisions, were noted for policies related to bank account reconciliation, travel, Federal financial reporting, Federal fund requests, GASB 34, pre-intervention document review, and planning boards. Undated policies prevent PR VRA from being able to adequately evaluate and monitor its policies for needed revisions to ensure compliance with changes to statute, regulations, and the terms and conditions of Federal awards.

**B. Missing Use and Disposition Conditions in Property Use Agreements.** During the period under review, PR VRA submitted several prior approval requests to RSA asking to incur costs under the VR award for capital improvements to buildings owned by the Puerto Rico government. According to PR VRA staff, the Puerto Rico General Services Administration (PGSA) makes certain government-owned buildings available to PR VRA and other public entities through "usufruct" agreements, in which the building continues to be property of the government but the second party enjoys the benefits of occupancy under the agreement that it maintains the property and pays a nominal fee well below market rates. PR VRA has submitted prior approval requests for the following building maintenance-related costs, at buildings ceded to PR VRA through usufruct agreements, that are considered capital expenditures under 2 C.F.R. § 200.13.

- 7/26/18            \$35,248.17    fire alarm system at an adjustment center
- 10/10/18        \$395,000.00   fire water tank at an adjustment center
- 12/13/19        \$384,775.00   renovate/VAC/roof at administrative offices

2 C.F.R. § 200.452 defines maintenance and repair costs as costs incurred for utilities, insurance, security, necessary maintenance, janitorial services, repair, or upkeep of buildings and equipment which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition. These costs do not require prior approval and are generally allowable under PR VRA's existing usufruct agreements. However, costs for capital improvements that add to the permanent value of the property, or appreciably prolong its intended life, are beyond the scope of maintenance and repair costs. The usufruct agreements do not appear to differentiate between building-related costs for maintenance and repair, and those for capital improvements.

Usufruct agreements are uncommon in the contiguous United States, and in the examples PR VRA provided to RSA in conjunction with prior approval requests for capital

improvements to government-owned buildings, the agreements do not meet Federal requirements for grant administration that identify necessary property trust relationships and that safeguard the Federal interest (2 C.F.R. §§ 200.316 & 200.41). Per §200.316, the real property, equipment, and intangible property that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved.

Specifically, Puerto Rico's usufruct agreements do not meet Federal property trust relationship requirements because the agreements neither limit the occupant's responsibility for paying maintenance costs to those defined in 2 C.F.R. § 200.452, nor do they require capital improvements paid with Federal funds to be held in trust for the beneficiaries of the VR program. When RSA responded to PR VRA's prior approval requests for capital improvements to buildings, RSA indicated it cannot approve the costs without assurances that safeguard the Federal interest. This could be accomplished by revising the usufruct agreements to require that PGSA generate appropriate notices of record to indicate that use and disposition conditions apply to the property being ceded to PR VRA in usufruct, relative to the increased value and usable life of the capital asset paid with Federal funds in proportion to the Federal share of total project costs.

During the on-site review, PR VRA staff said they asked PGSA to provide such assurances regarding Federal interest based on the Federal requirements; however PGSA had not yet responded favorably to the request.

**Conclusion:** In the areas noted above, PR VRA did not maintain effective internal controls over the Federal award that provide reasonable assurances that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award, as required by 34 C.F.R. § 361.12 and 2 C.F.R. § 200.303. Specific internal control areas of deficiency, noted above, include documentation of control activities to ensure management oversight of establishment authority planning activities, Supported Employment Federal financial reporting, internal controls monitoring, and capital improvements.

While these control deficiencies suggest elevated risk to PR VRA's effectiveness and efficiency of operations, the risk will be greatly reduced through management's development of internal controls at a level of detail necessary to address the complexity of its systems. The corrective action steps listed below will support PR VRA in developing its ability to correct processes that have led to the non-compliance finding noted above.

**Corrective Action 4.1** RSA requires that PR VRA—

- 4.1.A.1** Develop and implement internal controls, consistent with relevant Federal requirements governing the establishment, development or improvement of a CRP.
- 4.1.A.2** Develop processes for staff to follow regarding the handling and reporting of program income in the event any of PR VRA's programs generate program income.
- 4.1.A.3** Revise PR VRA's internal control policies for the Supported Employment program to include differentiated processes for the A and B components of the award.

- 4.1.A.4** Review and update all of PR VRA’s internal control policies to ensure each include effective dates, including for revisions, and implement a system for periodic management review and version control.
- 4.1.A.5** Remove policy references to grants PR VRA no longer administers.
- 4.1.B** Develop internal controls and update all “usufruct agreements” PR VRA holds with PGSA, consistent with the regulations identified in the finding, in order to ensure property use agreements meet Federal property trust relationship requirements by either:
  - a) limiting PR VRA’s responsibility, as an occupant, for paying maintenance costs to those defined in 2 C.F.R. § 200.452, or
  - b) requiring buildings with Federally funded capital improvements to be held in trust for the beneficiaries of the VR program through appropriate notices of record.

Submit the internal control drafts and revisions noted above to RSA within 120 days after the date of the final monitoring report. Internal controls are to be implemented within 60 days after RSA’s review and agreement that the draft and revised controls will ensure compliance with requirements.

#### **Agency Response:**

**4.1.A.1** PRVRA agrees with the finding and recommendation identified regarding compliance with Federal requirements for the Establishment, Development or Improvement Authority. The agency will develop written procedures consistent with Federal requirements set forth in 34 C.F.R. § 361.5 (c)(16) & (17), and 361.49(a)(1) and (b), and 2 C.F.R. § 200.303 applicable to “Establishment, development or improvement of a CRP.” We acknowledge that the written procedures must be consistent with all applicable Federal regulations.

**4.1.A.2** PR VRA acknowledges the finding and accepts RSA’s Review Team recommendation. Therefore, the agency will develop program income policy to include steps for staff to take if its programs generate program income. We will consider all applicable Federal regulations pertaining to accounting for and reporting program income. PRVRA would like to state that we are very committed in providing written guidance to all our staff regarding all fiscal and programmatic matters. We appreciate the recommendation which will strengthen the internal controls and management of the Federal Award.

**4.1.A.3** PR VRA agrees with the finding and the recommendation that it should have a documented policy that addresses the additional Federal financial reporting and oversight control activities necessitated by two distinct Federal Award Identification Numbers given the changes in the Supported Employment A and B awards as of FFY 2018. Therefore, we will be updating and including revisions to our procedures, that include the changes in the FAIN’s to the Supported Employment Program in compliance with 2 C.F.R. § 200.302 (a).

**4.1.A.4** PR VRA accepts this finding and will be addressing this matter by reviewing each fiscal policy manual to ensure that all include effective dates, including for revisions as well as implement a system for periodic management review and version control.

**4.1.A.5** PR VRA accepts this finding and believes it will be addressed in the response to 4.1.A.4. Upon review of all policy manuals, we will consider this finding and incorporate it within each review.

**4.1.B** PR VRA accepts this finding. The agency has been contacting PGSA in order to update all usufruct agreements and will continue to do so. We will also be developing policies and procedures consistent with Federal regulations identified in the finding. PR VRA will review that there is a limit to the responsibility, as an occupant, for paying maintenance costs to those defined in 2 C.F.R. § 200.452 or requiring buildings with Federally funded capital improvements to be held in trust for the beneficiaries of the VR program through appropriate notices of record.

**RSA Response:** RSA appreciates the steps PR VRA has taken and its plans for additional activities to resolve the finding. RSA will assess the effectiveness of these steps through the corrective action plan developed by PR VRA in response to this report. RSA Fiscal Unit staff will provide technical assistance as needed.

**Agency Request for Technical Assistance:** No Technical Assistance is requested at this time; however, we hope to work closely with RSA's review team in order to submit the internal control drafts and revisions and any further documentation or clarification that is requested within the time frames noted in the Monitoring Protocol.

#### **D. Technical Assistance**

In the course of the monitoring activities, RSA provided technical assistance to PR VRA as described below.

Prior Approval--Since the on-site visit, RSA has published new interim guidance regarding prior approval. As of October 29, 2019, [Frequently Asked Questions \(FAQs\) Prior Approval — OSEP and RSA Formula Grants](#), replaced RSA-TAC-18-02. Two significant features of the new guidance are listed below, but it will be important for PR VRA to review the entire document and make updates to agency internal controls regarding prior approval, as appropriate.

- VR grantees no longer must submit prior approval requests for equipment for delivery of services to eligible individuals with disabilities provided under IPEs (e.g., rehabilitation technology, or home or vehicle modifications).
- VR grantees no longer must submit prior approval requests for participant support costs that do not exceed a total cost of \$5,000 per individual participant or trainee per conference training or event.

Supported Employment--RSA published [Frequently Asked Questions regarding the Supported Employment award](#).

## **SECTION 5: FOCUS AREA – JOINT WORKFORCE INNOVATION AND OPPORTUNITY ACT FINAL RULE IMPLEMENTATION**

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### **A. Purpose**

The Departments of Education and Labor issued the Workforce Innovation and Opportunity Act (WIOA) Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule) to implement Title I of WIOA. These joint regulations apply to all core programs of the workforce development system established by Title I of WIOA, and the joint regulations are incorporated into the VR program regulations through subparts D, E, and F of 34 C.F.R. part 361.

WIOA strengthens the alignment of the public workforce development system's six core programs by compelling unified strategic planning requirements, common performance accountability measures, and requirements governing the one-stop delivery system. In so doing, WIOA places heightened emphasis on coordination and collaboration at the Federal, State, local, and tribal levels to ensure a streamlined and coordinated service delivery system for job seekers, including those with disabilities, and employers.

In FFY 2018, the Employment and Training Administration in the U.S. Department of Labor; the Office of Career, Technical, and Adult Education; and RSA developed the "WIOA Shared Monitoring Guide," which is incorporated in this focus area. RSA assessed the VR agency's progress and compliance in the implementation of the Joint WIOA Final Rule through this focus area.

### **B. Implementation of WIOA Joint Final Rule**

The RSA team reviewed the following topical areas: WIOA Partnership; Governance; One-Stop Operations; and Performance Accountability. To gather information pertinent to these topics, RSA staff reviewed a variety of documents including the PY 2016 Unified State Plan and PY 2018 modifications; Memoranda of Understanding (MOUs) including the One-Stop Center Operating Budget and Infrastructure Funding Agreement (IFA) related to the one-stop service delivery system; and other supporting documentation related to the four topical areas.

#### **WIOA Partnership**

WIOA requires States and local areas to enhance coordination and partnerships with local entities and supportive service agencies for strengthened service delivery, including through Unified/Combined State Plans. Beyond the partnerships reflected in the Governance and One-Stop Operations sections of this focus area, Federal partners thought it was important for Federal agencies to inquire about the broader partnership activities occurring to implement many of the approaches called for within WIOA, such as career pathways and sector strategies. These require robust relationships across programs and with businesses, economic development, education, and training institutions, including community colleges and career and technical education local entities and supportive service agencies. The RSA review team explored how these activities are led and sustained to help assess how these initiatives are progressing within the State.

Staff of PR VRA are active members on several committees in partnership with the core partners including the Monitoring Committee, Proposal Evaluation Committee, Youth Committee, People with Disabilities Committee, and the Operational Committee.

In addition to serving on the committees noted above, PR VRA staff have also worked closely with the Advocacy Office for People with Disabilities to assist America's Job Centers (AJCs) by providing information and assistance with accessibility policies and issues related to accommodation of individuals with disabilities. PR VRA collaborated with the core partners on the development of the accessibility study form used to assess the accessibility compliance for the AJCs.

PR VRA staff provided consultation and advice on the acquisition of tools and instruments to assess interests, aptitudes, academic skills, and learning styles of people with disabilities. Additionally, PR VRA staff have conducted workshops and developed training materials for all of Puerto Rico's AJCs on disability awareness and VR services.

## **Governance**

State Workforce Development Boards (SWDBs) and Local Workforce Development Boards (LWDBs), which should include representation from all six core programs, including the VR program, set strategy and policies for an aligned workforce development system that partners with the education continuum, economic development, human services, and businesses. The VR representative on the SWDB must be an individual who has optimum policy making authority for the VR program, and each LWDB is required to have at least one representative from programs carried out under Title I of the Rehabilitation Act (other than Section 112 or part C of that Title).

## **SWDB**

The PR VRA Administrator serves as the appointed representative of the VR program to the SWDB and is actively engaged with its activities.

## **LWDBs**

Puerto Rico has established 15 LWDBs and provides services at 19 AJCs throughout Puerto Rico. PR VRA has active membership on each of the 15 LWDBs. Thirteen of the LWDBs have signed and implemented MOUs, and two LWDBs are presently operating through the State funding mechanism as described under the provisions of 34 C.F.R. § 361.730.

## **One-Stop Operations**

The one-stop delivery system brings together workforce development, educational, and other human resource services in a seamless customer-focused service delivery network that enhances access to services and improves long-term employment outcomes for individuals receiving assistance. One-stop partners administer separately funded programs as a set of integrated streamlined services to customers.



PR VRA is co-located at 14 of the AJCs, and has representatives assigned to the five centers where the agency is not co-located. PR VRA has conducted training for partner staff at all AJCs on VR services, as well as eligibility, application procedures, and service delivery.

PR VRA staff worked closely with partners to develop an accessibility survey form and to conduct accessibility reviews at each of the 19 AJCs. PR VRA reported that all centers have been reviewed and are certified as accessible. As a part of on-site activities, RSA reviewed the accessibility form and noted that it addresses physical and assistive technology considerations but does not address broader issues related to program accessibility such as access to interpreters for partner training programs.

During this review, RSA analyzed the implemented MOUs and infrastructure funding agreements (IFAs). RSA noted that PR VRA has signed the agreements; however, did not find documented processes related to ongoing monitoring of VR participation at each AJC.

### **Performance Accountability**

Section 116 of WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of States and local areas in achieving positive outcomes for individuals served in the workforce development system. WIOA requires that these requirements apply across all six core programs, with a few exceptions. RSA reviewed the VR agency's progress and implementation of performance accountability measures and data sharing and matching requirements.

PR VRA uses its case management system to collect MSG and credential attainment data. As noted in Section 2 of this report, PR VRA did not submit accurate reports as required by 34 C.F.R. § 361.40. At the time of the review, internal controls had not been developed or implemented to ensure that the information reported was substantiated by documentation included in the service record. PR VRA has been working with the WINTAC to improve documentation and collection of MSG data. (See Section C, "Internal Controls," of the Performance focus area of this report for more details).

Currently, customer co-enrollment in the One-stop system is tracked by partners on paper. Partners are presently developing management information systems to collect this data in the future.

PR VRA has an MOU with the Office of Employment Security in place to collect quarterly wage data. PR VRA accesses the data at the central office and generates lists by region for identification and matching of consumers. PR VRA has an active policy in place regarding policy for supplemental wage information, *Comunicación Normativa Núm.: 2018-11-Enmienda a la Comunicación de Seguimiento y Registro de Datos para Cumplimiento con Indicadores de Productividad Bajo WIOA* (Amendment to Public Policy Related to Follow Up and Data Registry to Comply with WIOA Performance Indicators). This policy notes that the main source of information is Department of Labor unemployment insurance (UI) records, and when UI data are unavailable, supplemental wage information are to be used. The policy also includes a form to be completed by the consumer as a certification of employment status and credentials after exit, which is one of the supplemental wage information alternatives.

## **Effectiveness in Serving Employers**

At the time of the on-site visit, State partners had only selected Retention with the Same Employer, one of the three proposed approaches for measuring effectiveness in serving employers. During the on-site review, RSA reviewed the joint guidance with PR VRA to clarify the requirement that two approaches be selected and implemented. PR VRA will collaborate with the Puerto Rico Department of Economic Development and Commerce partners to finalize the selection of a second measure. State partners also plan to discuss the development of a third measure. PR VRA presently collects the data for the single selected effectiveness measure in the case management system.

## **C. Findings and Corrective Actions**

RSA's review of the PR VRA performance in this focus area did not result in the identification of findings.

## **D. Technical Assistance**

In the course of conducting monitoring activities, RSA provided technical assistance to PR VRA as described below.

- **Effectiveness in Serving Employers**

At the time of the on-site visit, State partners had selected Retention with the Same Employer as its pilot measure, but they had not selected the second of the two required measures. During the on-site review, RSA reviewed the joint guidance with PR VRA to clarify the requirement that two approaches be selected and implemented.

- **Infrastructure Funding of the One-Stop Delivery System**

Puerto Rico's one-stop delivery system is organized through an overarching MOU between the PR Departments of Economic Development and Commerce, Labor and Human Resources, Education, and PR VRA. The document's stated purpose includes providing a consistent basis for representatives of State agencies and local boards to negotiate their MOUs and exchange of resources in a manner consistent with WIOA requirements.

The local MOU must identify an infrastructure and shared services budget that will be periodically reconciled against actual costs incurred and adjusted accordingly to ensure that it reflects a cost allocation methodology that demonstrates how infrastructure costs are charged to each partner in proportion to its use of the one-stop center and relative benefit received, and that complies with 2 C.F.R. part 200 (34 C.F.R. § 361.755(b)). The U.S. Departments of Education and Labor provided extensive guidance regarding the funding of the one-stop system's infrastructure costs in both the joint one-stop regulations (Federal Register notice 81 FR 55791), published August 19, 2016, and in technical assistance circular (RSA-TAC-17-03), published January 18, 2017.

It will be important for PR VRA management to monitor PR VRA's participation in co-location facilities to ensure, pursuant to joint one-stop regulations at 34 C.F.R. § 361.400(b)(4), that the VR agency's contribution towards the one-stop system's infrastructure costs are based on—

- A reasonable cost allocation methodology by which infrastructure costs are charged to each partner based on proportionate use and relative benefit received;
- Federal cost principles; and
- Any local administrative cost requirements in the Federal law authorizing the partner's program. (This is further described in 34 C.F.R. § 361.700)(34 C.F.R. § 361.420(b)(2)).

RSA recommends that PR VRA establish a documented process of oversight, including periodic review of local MOUs and one-stop facility operations, to ensure the cost allocation methodology and computation of shared costs, specific to each one-stop facility, result in the assignment of costs based on actual after-the-fact proportionate use and relative benefit received at each co-location.

- **American Job Centers Accessibility**

RSA engaged with PR VRA staff in discussions about ensuring accessibility of all partner programs beyond the assurance of physical access to the centers and availability of generally recognized assistive technology. Discussions focused on assistive technology for computer-based learning programs, assistive listening technology for individuals who are hard of hearing, and interpreter services for on-site training and instructional programs.

## **APPENDIX A: STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAMS PERFORMANCE TABLES**

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Note: Calculations for these tables can be found in Appendix C of the MTAG.

Table 1— PR VRA Agency Profile (PY 2017)

Table 2— PR VRA Summary Statistics from RSA-113 (FFYs 2016-2018)

Table 3— PR VRA Number and Percentage of Participants Served by Primary Disability Type (PY 2017)

Table 4— PR VRA Number and Percentage of Individuals Exiting at Various Stages of the VR Process (PY 2017)

Table 5— PR VRA Number and Percentage of Individuals Exiting by Reason during the VR Process (PY 2017)

Table 6— PR VRA Services Provided to Participants (PY 2017)

Table 7— PR VRA Number of Measurable Skill Gains Earned, Number of Participants Who Earned Measurable Skill Gains, and Types of Measurable Skill Gains (PY 2017)

Table 8— PR VRA Median Hourly Earnings, Median Hours Worked per Week, Sources of Support, and Medical Insurance Coverage for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)

Table 9— PR VRA Standard Occupational Classification (SOC) Titles (Major Groups): Percentages of Employment Outcomes and Median Hourly Earnings for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)

Table 10— PR VRA Number of Participants Who Exited with Competitive Integrated Employment or Supported Employment by the Most Frequent SOC Title (PY 2017)

Table 11— PR VRA Number of Students with Disabilities Reported, and the Number and Percentage of Students with Disabilities Who Received Pre-Employment Transition Services (PY 2017)

Table 12— PR VRA Number and Percentage of Required Pre-Employment Transition Services Provided (PY 2017)

**Table 1— PR VRA Agency Profile (PY 2017)**

| <b>VR Agency Profile Data</b>                                                               | <b>Number/Percentage</b> |
|---------------------------------------------------------------------------------------------|--------------------------|
| Employment Rate                                                                             | 52.5%                    |
| Number of Participants Exiting in Competitive Integrated Employment or Supported Employment | 2,376                    |
| Measurable Skill Gains Performance Indicator                                                | 6.2%                     |
| Percentage of Participants Eligible for Measurable Skill Gains                              | 37.6%                    |
| Percentage of Timely Eligibility Determinations                                             | 92.4%                    |
| Percentage of Eligibility Determination Extensions                                          | 0.4%                     |
| Percentage of Timely IPE Development                                                        | 81.7%                    |
| Number of Applicants                                                                        | 5,725                    |
| Number of Individuals Determined Eligible                                                   | 4,705                    |
| Number of Individuals with an IPE and No VR Services Provided                               | 3,099                    |
| Number of Participants (with an IPE and VR Services Provided)                               | 9,013                    |

**Table 2— PR VRA Summary Statistics from RSA-113 (FFYs 2016-2018)**

| <b>Performance Category</b>                                          | <b>FFY 16</b> | <b>FFY 17</b> | <b>FFY 18</b> |
|----------------------------------------------------------------------|---------------|---------------|---------------|
| Total Applicants                                                     | 11,101        | 8,593         | 6,974         |
| Total Eligible Individuals (Before IPE)                              | 8,952         | 7,127         | 5,832         |
| Agency Implementing Order of Selection                               | No            | No            | No            |
| Individuals on Order of Selection Waiting List at Year-End           | -             | -             | -             |
| Percentage of Eligible Individuals with IPE Who Received No Services | 6.8%          | 8.5%          | 9.7%          |
| Individuals with IPE Receiving Services                              | 55,212        | 55,846        | 55,543        |

**Table 3— PR VRA Number and Percentage of Participants Served by Primary Disability Type (PY 2017)**

| <b>Primary Disability Type by Group</b> | <b>Number of Participants</b> | <b>Percent</b> |
|-----------------------------------------|-------------------------------|----------------|
| Visual                                  | 1,866                         | 3.4%           |
| Auditory or Communicative               | 1,543                         | 2.8%           |
| Physical                                | 9,140                         | 16.7%          |
| Cognitive                               | 28,438                        | 52.1%          |
| Psychological or Psychosocial           | 13,557                        | 24.8%          |

| Detailed Primary Disability Type                                                                                 | Number of Participants | Percent |
|------------------------------------------------------------------------------------------------------------------|------------------------|---------|
| Blindness                                                                                                        | 239                    | 0.4%    |
| Other Visual Impairments                                                                                         | 1,627                  | 3.0%    |
| Deafness, Primary Communication Visual                                                                           | 183                    | 0.3%    |
| Deafness, Primary Communication Auditory                                                                         | 158                    | 0.3%    |
| Hearing Loss, Primary Communication Visual                                                                       | 194                    | 0.4%    |
| Hearing Loss, Primary Communication Auditory                                                                     | 588                    | 1.1%    |
| Other Hearing Impairments (Tinnitus, Meniere's Disease, hyperacusis, etc.)                                       | 84                     | 0.2%    |
| Deaf-Blindness                                                                                                   | 3                      | 0.0%    |
| Communicative Impairments (expressive/receptive)                                                                 | 333                    | 0.6%    |
| Mobility Orthopedic/Neurological Impairments                                                                     | 1,391                  | 2.5%    |
| Manipulation/Dexterity Orthopedic/Neurological Impairments                                                       | 595                    | 1.1%    |
| Both Mobility and Manipulation/Dexterity Orthopedic/Neurological Impairments                                     | 843                    | 1.5%    |
| Other Orthopedic Impairments (e.g., limited range of motion)                                                     | 2,634                  | 4.8%    |
| Respiratory Impairments                                                                                          | 267                    | 0.5%    |
| General Physical Debilitation (e.g., fatigue, weakness, pain, etc.)                                              | 492                    | 0.9%    |
| Other Physical Impairments (not listed above)                                                                    | 2,918                  | 5.3%    |
| Cognitive Impairments (e.g., impairments involving learning, thinking, processing information and concentration) | 28,438                 | 52.1%   |
| Psychosocial Impairments (e.g., interpersonal and behavioral impairments, difficulty coping)                     | 10,879                 | 19.9%   |
| Other Mental Impairments                                                                                         | 2,678                  | 4.9%    |

**Table 4— PR VRA Number and Percentage of Individuals Exiting at Various Stages of the VR Process (PY 2017)**

| Number of Individuals Who Exited the VR Program                                                                               | 6,165                 |         |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------|
| Exit Type                                                                                                                     | Number of Individuals | Percent |
| Individual exited as an applicant, prior to eligibility determination or trial work experience                                | 585                   | 9.5%    |
| Individual exited during or after a trial work experience                                                                     | 51                    | 0.8%    |
| Individual exited after eligibility, but from an order of selection waiting list                                              | 0                     | 0.0%    |
| Individual exited after eligibility, but prior to a signed IPE                                                                | 344                   | 5.6%    |
| Individual exited after an IPE without an employment outcome                                                                  | 2,151                 | 34.9%   |
| Individual exited after an IPE in noncompetitive and/or nonintegrated employment                                              | 3                     | 0.0%    |
| Individual exited after an IPE in competitive and integrated employment or supported employment                               | 2,376                 | 38.5%   |
| Individual exited as an applicant after being determined ineligible for VR services                                           | 592                   | 9.6%    |
| Potentially eligible individual exited after receiving pre-employment transition services and has not applied for VR services | 62                    | 1.0%    |

| <b>Supported Employment</b>                                                                                             | <b>Number of Participants</b> |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Number of Participants Who Exited with a Supported Employment Outcome in Competitive Integrated Employment              | 82                            |
| Number of Participants Who Exited with a Supported Employment Outcome in Noncompetitive and/or Nonintegrated Employment | 0                             |

**Table 5— PR VRA Number and Percentage of Individuals Exiting by Reason during the VR Process (PY 2017)**

| <b>Reason for Exit</b>                                                                                                  | <b>Number of Individuals</b> | <b>Percent</b> |
|-------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------|
| Individual is No Longer Available for Services Due to Residence in an Institutional Setting Other Than a Prison or Jail | 11                           | 0.2%           |
| Health/Medical                                                                                                          | 26                           | 0.4%           |
| Death of Individual                                                                                                     | 32                           | 0.5%           |
| Reserve Forces Called to Active Duty                                                                                    | 0                            | 0.0%           |
| Foster Care                                                                                                             | 0                            | 0.0%           |
| Ineligible after determined eligible                                                                                    | 90                           | 1.5%           |
| Criminal Offender                                                                                                       | 3                            | 0.0%           |
| No Disabling Condition                                                                                                  | 128                          | 2.1%           |
| No Impediment to Employment                                                                                             | 422                          | 6.8%           |
| Does Not Require VR Service                                                                                             | 48                           | 0.8%           |
| Disability Too Significant to Benefit from Service                                                                      | 12                           | 0.2%           |
| No Long-Term Source of Extended Services Available                                                                      | 1                            | 0.0%           |
| Transferred to Another Agency                                                                                           | 10                           | 0.2%           |
| Achieved Competitive Integrated Employment Outcome                                                                      | 2,376                        | 38.5%          |
| Extended Employment                                                                                                     | 0                            | 0.0%           |
| Extended Services Not Available                                                                                         | 1                            | 0.0%           |
| Unable to Locate or Contact                                                                                             | 734                          | 11.9%          |
| No Longer Interested in Receiving Services or Further Services                                                          | 390                          | 6.3%           |
| All Other Reasons                                                                                                       | 1,819                        | 29.5%          |
| Number of Individuals Who Exited the VR Program                                                                         | 6,165                        |                |

**Table 6— PR VRA Services Provided to Participants (PY 2017)**

|                                                       |        |
|-------------------------------------------------------|--------|
| Total Number of Participants Who Received VR Services | 54,598 |
|-------------------------------------------------------|--------|

| <b>Training Services Provided to Participants</b> | <b>Number of Participants</b> | <b>Percent</b> |
|---------------------------------------------------|-------------------------------|----------------|
| Graduate Degree Training                          | 304                           | 0.6%           |
| Bachelor Degree Training                          | 4,337                         | 7.9%           |
| Junior or Community College Training              | 2,397                         | 4.4%           |
| Occupational or Vocational Training               | 244                           | 0.4%           |
| On-the-Job Training                               | 8                             | 0.0%           |
| Apprenticeship Training                           | 124                           | 0.2%           |
| Basic Academic Remedial or Literacy Training      | 22                            | 0.0%           |
| Job Readiness Training                            | 989                           | 1.8%           |
| Disability Related Skills Training                | 2                             | 0.0%           |
| Miscellaneous Training                            | 391                           | 0.7%           |
| Randolph-Sheppard Entrepreneurial Training        | 0                             | 0.0%           |
| Customized Training                               | 0                             | 0.0%           |

| <b>Career Services Provided to Participants</b>                      | <b>Number of Participants</b> | <b>Percent</b> |
|----------------------------------------------------------------------|-------------------------------|----------------|
| Assessment                                                           | 1,188                         | 2.2%           |
| Diagnosis and Treatment of Impairment                                | 1,075                         | 2.0%           |
| Vocational Rehabilitation Counseling and Guidance                    | 3,187                         | 5.8%           |
| Job Search Assistance                                                | 314                           | 0.6%           |
| Job Placement Assistance                                             | 168                           | 0.3%           |
| Short-Term Job Supports                                              | 0                             | 0.0%           |
| Supported Employment Services                                        | 188                           | 0.3%           |
| Information and Referral Services                                    | 0                             | 0.0%           |
| Benefits Counseling                                                  | 31                            | 0.1%           |
| Customized Employment Services                                       | 0                             | 0.0%           |
| Extended Services (for youth with the most significant disabilities) | 0                             | 0.0%           |

| <b>Other Services Provided to Participants</b> | <b>Number of Participants</b> | <b>Percent</b> |
|------------------------------------------------|-------------------------------|----------------|
| Transportation                                 | 7,764                         | 14.2%          |
| Maintenance                                    | 8,746                         | 16.0%          |
| Rehabilitation Technology                      | 325                           | 0.6%           |
| Personal Attendant Services                    | 23                            | 0.0%           |
| Technical Assistance Services                  | 0                             | 0.0%           |
| Reader Services                                | 7                             | 0.0%           |
| Interpreter Services                           | 88                            | 0.2%           |
| Other Services                                 | 1,153                         | 2.1%           |



**Table 7— PR VRA Number of Measurable Skill Gains Earned, Number of Participants Who Earned Measurable Skill Gains, and Types of Measurable Skill Gains (PY 2017)**

| <b>Measurable Skill Gains Earned and Participants Earning Measurable Skill Gains</b> | <b>Number</b> |
|--------------------------------------------------------------------------------------|---------------|
| Number of Measurable Skill Gains Earned                                              | 1,282         |
| Number of Participants Who Earned a Measurable Skill Gains                           | 1,282         |

| <b>Types of Measurable Skill Gains</b> | <b>Number</b> |
|----------------------------------------|---------------|
| Educational Functioning Level          | 10            |
| Secondary Diploma                      | 0             |
| Postsecondary Transcript/Report Card   | 1,272         |
| Training Milestone                     | 0             |
| Skills Progression                     | 0             |

**Table 8— PR VRA Median Hourly Earnings, Median Hours Worked per Week, Sources of Support and Medical Insurance Coverage for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)**

**Median Hourly Earnings and Hours Worked per Week at Exit**

|                                                                                                    |        |
|----------------------------------------------------------------------------------------------------|--------|
| Number of Participants Who Exited in Competitive and Integrated Employment or Supported Employment | 2,375  |
| Median Hourly Earnings at Exit                                                                     | \$8.00 |
| Median Hours Worked per Week at Exit                                                               | 38     |

| <b>Primary Source of Support at Exit</b>                                    | <b>Number of Participants</b> | <b>Percent</b> |
|-----------------------------------------------------------------------------|-------------------------------|----------------|
| Personal Income                                                             | 1,923                         | 81.0%          |
| Family and Friends                                                          | 29                            | 1.2%           |
| Public Support                                                              | 27                            | 1.1%           |
| Other Sources                                                               | 401                           | 16.9%          |
| <b>Public Support at Exit</b>                                               | <b>Number of Participants</b> | <b>Percent</b> |
| Social Security Disability Insurance (SSDI) at Exit                         | 37                            | 1.6%           |
| Supplemental Security Income (SSI) for the Aged, Blind, or Disabled at Exit | 2                             | 0.1%           |
| Temporary Assistance for Needy Families (TANF) at Exit                      | 0                             | 0.0%           |
| General Assistance (State or local government) at Exit                      | 0                             | 0.0%           |
| Veterans' Disability Benefits at Exit                                       | 0                             | 0.0%           |
| Workers' Compensation at Exit                                               | 6                             | 0.3%           |
| Other Public Support at Exit                                                | 83                            | 3.5%           |
| <b>Medical Insurance Coverage at Exit</b>                                   | <b>Number of Participants</b> | <b>Percent</b> |
| Medicaid at Exit                                                            | 960                           | 40.4%          |
| Medicare at Exit                                                            | 78                            | 3.3%           |
| State or Federal Affordable Care Act Exchange at Exit                       | 89                            | 3.7%           |
| Public Insurance from Other Sources at Exit                                 | 2                             | 0.1%           |
| Private Insurance Through Employer at Exit                                  | 500                           | 21.1%          |
| Not Yet Eligible for Private Insurance Through Employer at Exit             | 292                           | 12.3%          |
| Private Insurance Through Other Means at Exit                               | 681                           | 28.7%          |

**Table 9— PR VRA Standard Occupational Classification (SOC) Titles (Major Groups): Percentages of Employment Outcomes and Median Hourly Earnings for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)**

| <b>SOC Title</b>                                           | <b>Number of Participants</b> | <b>Median Hourly Earnings</b> |
|------------------------------------------------------------|-------------------------------|-------------------------------|
| Office and Administrative Support Occupations              | 310                           | \$7.5                         |
| Food Preparation and Serving Related Occupations           | 248                           | \$7.3                         |
| Sales and Related Occupations                              | 209                           | \$7.3                         |
| Healthcare Practitioners and Technical Occupations         | 188                           | \$10.0                        |
| Production Occupations                                     | 171                           | \$7.5                         |
| Building and Grounds Cleaning and Maintenance Occupations  | 153                           | \$7.3                         |
| Installation, Maintenance, and Repair Occupations          | 140                           | \$7.5                         |
| Education, Training, and Library Occupations               | 116                           | \$10.3                        |
| Personal Care and Service Occupations                      | 108                           | \$7.9                         |
| Transportation and Material Moving Occupations             | 98                            | \$8.5                         |
| Healthcare Support Occupations                             | 83                            | \$7.5                         |
| Protective Service Occupations                             | 82                            | \$7.3                         |
| Architecture and Engineering Occupations                   | 77                            | \$15.2                        |
| Management Occupations                                     | 74                            | \$9.0                         |
| Arts, Design, Entertainment, Sports, and Media Occupations | 65                            | \$8.2                         |
| Life, Physical, and Social Science Occupations             | 52                            | \$10.4                        |
| Constructive and Extraction Occupations                    | 46                            | \$8.0                         |
| Business and Financial Operations Occupations              | 46                            | \$10.0                        |
| Community and Social Services Occupations                  | 35                            | \$11.3                        |
| Computer and Mathematical Occupations                      | 28                            | \$10.0                        |
| Farming, Fishing, and Forestry Occupations                 | 21                            | \$7.4                         |
| Military Specific Occupations                              | 14                            | \$12.5                        |
| Legal Occupations                                          | 11                            | \$15.0                        |
| Randolph-Sheppard vending facility clerk                   | 0                             | NA                            |
| Randolph-Sheppard vending facility operator                | 0                             | NA                            |

**Table 10— PR VRA Number of Participants Who Exited with Competitive Integrated Employment or Supported Employment by the Most Frequent SOC Title (PY 2017)**

| <b>No.</b> | <b>SOC Title</b>                                              | <b>Number of Participants</b> | <b>Median Hourly Earnings</b> |
|------------|---------------------------------------------------------------|-------------------------------|-------------------------------|
| 1          | Janitors and Cleaners, Except Maids and Housekeeping Cleaners | 118                           | \$7.3                         |
| 2          | Customer Service Representatives                              | 98                            | \$7.3                         |
| 3          | Stock Clerks and Order Fillers                                | 97                            | \$7.5                         |
| 4          | Retail Salespersons                                           | 91                            | \$7.3                         |
| 5          | Food Preparation and Serving Related Workers, All Other       | 75                            | \$7.3                         |
| 6          | Bus Drivers, Transit and Intercity                            | 49                            | \$7.5                         |
| 7          | Office and Administrative Support Workers, All Other          | 40                            | \$10.1                        |
| 8          | Office Clerks, General                                        | 37                            | \$7.3                         |
| 9          | Security Guards                                               | 35                            | \$7.3                         |
| 10         | Home Health Aides                                             | 35                            | \$ 7.3                        |

**Table 11— PR VRA Number of Students with Disabilities Reported, and the Number and Percentage of Students with Disabilities Who Received Pre-Employment Transition Services (PY 2017)**

| <b>Students with Disabilities</b>                                                                         | <b>Number/Percentage of Students</b> |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------|
| Total Students with Disabilities Reported                                                                 | 36,246                               |
| Students with Disabilities Reported with 504 Accommodation                                                | 3,618                                |
| Students with Disabilities Reported with IEP                                                              | 23,431                               |
| Students with Disabilities Reported without 504 Accommodation or IEP                                      | 9,207                                |
| Total Students with Disabilities Who Received a Pre-Employment Transition Service                         | 5,384                                |
| Potentially Eligible Students with Disabilities Who Received a Pre-Employment Transition Service          | 3,351                                |
| Students with Disabilities, Who Applied for VR Services, and Received a Pre-Employment Transition Service | 2,033                                |
| Percentage of Students with Disabilities Reported Who Received a Pre-Employment Transition Service        | 14.9%                                |

**Table 12— PR VRA Number and Percentage of Required Pre-Employment Transition Services Provided (PY 2017)**

| <b>Pre-Employment Transition Services</b>         | <b>Number of Pre-Employment Transition Services Provided</b> | <b>Percent of Total Pre-Employment Transition Services Provided</b> |
|---------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------|
| Total Pre-Employment Transition Services Provided | 7,015                                                        |                                                                     |
| Job Exploration Counseling                        | 4,186                                                        | 59.7%                                                               |
| Work - Based Learning Experiences                 | 2,147                                                        | 30.6%                                                               |
| Counseling on Enrollment Opportunities            | 89                                                           | 1.3%                                                                |
| Workplace Readiness Training                      | 168                                                          | 2.4%                                                                |
| Instruction in Self - Advocacy                    | 425                                                          | 6.1%                                                                |

## **APPENDIX B: SERVICE RECORD REVIEW RESULTS**

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### **Participants who Exited with Competitive Integrated Employment or Supported Employment**

| <b>Data Element</b>                                                     | <b>Number with<br/>required<br/>documentation</b> | <b>Percent with<br/>required<br/>documentation</b> | <b>Number<br/>without<br/>required<br/>documentation</b> | <b>Percent<br/>without<br/>required<br/>documentation</b> |
|-------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| Date of Application                                                     | 17                                                | 85%                                                | 3                                                        | 15%                                                       |
| Date of Eligibility<br>Determination                                    | 19                                                | 95%                                                | 1                                                        | 5%                                                        |
| Date of IPE                                                             | 17                                                | 85%                                                | 3                                                        | 15%                                                       |
| Start Date of Employment in<br>Primary Occupation at Exit or<br>Closure | 17                                                | 85%                                                | 3                                                        | 15%                                                       |
| Hourly Wage at Exit or<br>Closure                                       | 13                                                | 65%                                                | 7                                                        | 35%                                                       |
| Employment Status at Exit or<br>Closure                                 | 12                                                | 60%                                                | 8                                                        | 40%                                                       |
| Type of Exit or Closure                                                 | 7                                                 | 35%                                                | 13                                                       | 65%                                                       |
| Date of Exit or Closure                                                 | 0                                                 | 0%                                                 | 20                                                       | 100%                                                      |

### **Summary of Service Record Review for Participants who Exited with Competitive Integrated Employment or Supported Employment**

| <b>Summary</b>                                                          | <b>Number (of 20)</b> | <b>Percent (of 20)</b> |
|-------------------------------------------------------------------------|-----------------------|------------------------|
| Service Records with all required<br>documentation for Data Elements    | 0                     | 0%                     |
| Service Records without all required<br>documentation for Data Elements | 20                    | 100%                   |

**Reporting Considerations: Information in Supporting Documentation,  
Case Management System, and RSA-911**

| <b>Data Element</b>                                               | <b>Number (of 20) where All Information Matches</b> | <b>Percent (of 20) where All Information Matches</b> | <b>Number (of 20) where All Information Does Not Match</b> | <b>Percent (of 20) where All Information Does Not Match</b> |
|-------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------|
| Date of Application                                               | 17                                                  | 85%                                                  | 3                                                          | 15%                                                         |
| Date of Eligibility Determination                                 | 19                                                  | 95%                                                  | 1                                                          | 5%                                                          |
| Date of IPE                                                       | 17                                                  | 85%                                                  | 3                                                          | 15%                                                         |
| Start Date of Employment in Primary Occupation at Exit or Closure | 15                                                  | 75%                                                  | 5                                                          | 25%                                                         |
| Hourly Wage at Exit or Closure                                    | 12                                                  | 60%                                                  | 8                                                          | 40%                                                         |
| Date of Exit or Closure                                           | 0                                                   | 0%                                                   | 20                                                         | 100%                                                        |

**Participants who Earned Measurable Skill Gains (MSG)**

| <b>Data Element (MSG Types as applicable)</b>                                                                                                 | <b>Number with required documentation</b> | <b>Number without required documentation</b> | <b>Percent with required documentation</b> | <b>Percent without required documentation</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|--------------------------------------------|-----------------------------------------------|
| Start Date of Initial VR Service on or after IPE                                                                                              | 16                                        | 4                                            | 80%                                        | 20%                                           |
| Date Enrolled During Program Participation in an Education or Training Program Leading to a Recognized Postsecondary Credential or Employment | 9                                         | 11                                           | 45%                                        | 55%                                           |
| Date of Most Recent MSG: Educational Functioning Level                                                                                        | 2                                         | 1                                            | 66.7%                                      | 33.3%                                         |
| Date of Most Recent MSG: Secondary Transcript Report Card                                                                                     | NA                                        | NA                                           | NA                                         | NA                                            |
| Date of Most Recent MSG: Postsecondary Transcript/Report Card                                                                                 | 17                                        | 3                                            | 85%                                        | 15%                                           |

| <b>Data Element<br/>(MSG Types as<br/>applicable)</b> | <b>Number with<br/>required<br/>documentation</b> | <b>Number<br/>without<br/>required<br/>documentation</b> | <b>Percent with<br/>required<br/>documentation</b> | <b>Percent<br/>without<br/>required<br/>documentation</b> |
|-------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|
| Date of Most Recent<br>MSG: Training<br>Milestone     | NA                                                | NA                                                       | NA                                                 | NA                                                        |
| Date of Most Recent<br>MSG: Skills<br>Progression     | NA                                                | NA                                                       | NA                                                 | NA                                                        |

**Summary of Service Record Review of Participants who Earned  
Measurable Skill Gains (MSG)**

| <b>Summary</b>                                                                          | <b>Number (of 20)</b> | <b>Percent (of 20)</b> |
|-----------------------------------------------------------------------------------------|-----------------------|------------------------|
| Service Records with all required documentation<br>for Data Elements (as applicable)    | 4                     | 20%                    |
| Service Records without all required<br>documentation for Data Elements (as applicable) | 16                    | 80%                    |

**Reporting Considerations: Information in Supporting Documentation,  
Case Management System, and RSA-911**

| <b>Data Element<br/>(MSG Types as<br/>applicable)</b>                                                                                                                 | <b>Number (of 20)<br/>where All<br/>Information<br/>Matches</b> | <b>Percent (of 20)<br/>where All<br/>Information<br/>Matches</b> | <b>Number (of 20)<br/>where All<br/>Information<br/>Does Not Match</b> | <b>Percent (of 20)<br/>where All<br/>Information<br/>Does Not Match</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Start Date of Initial VR<br>Service on or after IPE                                                                                                                   | 14                                                              | 70%                                                              | 6                                                                      | 30%                                                                     |
| Date Enrolled During<br>Program Participation<br>in an Education or<br>Training Program<br>Leading to a<br>Recognized<br>Postsecondary<br>Credential or<br>Employment | 8                                                               | 40%                                                              | 12                                                                     | 60%                                                                     |
| Date of Most Recent<br>MSG: Educational<br>Functioning Level                                                                                                          | 2                                                               | 66.7%                                                            | 1                                                                      | 33.3%                                                                   |
| Date of Most Recent<br>MSG: Secondary<br>Transcript Report Card                                                                                                       | NA                                                              | NA                                                               | NA                                                                     | NA                                                                      |



| <b>Data Element<br/>(MSG Types as<br/>applicable)</b>               | <b>Number (of 20)<br/>where All<br/>Information<br/>Matches</b> | <b>Percent (of 20)<br/>where All<br/>Information<br/>Matches</b> | <b>Number (of 20)<br/>where All<br/>Information<br/>Does Not Match</b> | <b>Percent (of 20)<br/>where All<br/>Information<br/>Does Not Match</b> |
|---------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Date of Most Recent<br>MSG: Postsecondary<br>Transcript/Report Card | 13                                                              | 65%                                                              | 7                                                                      | 35%                                                                     |
| Date of Most Recent<br>MSG: Training<br>Milestone                   | NA                                                              | NA                                                               | NA                                                                     | NA                                                                      |
| Date of Most Recent<br>MSG: Skills<br>Progression                   | NA                                                              | NA                                                               | NA                                                                     | NA                                                                      |

## APPENDIX C: FISCAL DATA TABLES

Note: Calculations for these tables can be found in Appendix F of the MTAG.

**Table V.1 Puerto Rico-Combined (PR-C) VR Resources and Expenditures—FFYs 2016–2018\***

| <b>VR Resources and Expenditures</b>                                        | <b>2016</b>  | <b>2017</b>   | <b>2018*</b> |
|-----------------------------------------------------------------------------|--------------|---------------|--------------|
| Total program expenditures                                                  | \$65,848,809 | \$58,674,254  | \$65,447,727 |
| Federal expenditures                                                        | \$50,333,085 | \$45,941,992  | \$47,036,247 |
| State agency expenditures (4 <sup>th</sup> quarter)                         | \$15,515,724 | \$12,625,464  | \$18,411,480 |
| State agency expenditures (latest/final)                                    | \$15,515,724 | \$12,732,262  | \$18,411,480 |
| Federal formula award amount                                                | \$69,213,071 | \$67,934,520  | \$68,027,392 |
| Reserve amount required for pre-employment transition services (15 percent) | \$8,599,208  | \$6,997,352   | \$10,204,108 |
| Amount expended on pre-employment transition services                       | \$1,604,242  | \$5,436,288   | \$1,647,103  |
| Percentage expended on pre-employment transition services                   | 2.80%        | 11.65%        | 2.42%        |
| MOE penalty from prior year                                                 | \$2,379,466  | \$2,094,054   | \$0          |
| Federal award amount relinquished during reallocation                       | \$9,505,555  | \$9,078,145   | \$0          |
| Federal award amount received during reallocation                           | \$0          | \$0           | \$0          |
| Federal funds transferred from State VR agency                              | \$0          | \$0           | \$0          |
| Federal funds transferred to State VR agency                                | \$0          | \$0           | \$0          |
| Federal award amount (net)                                                  | \$57,328,050 | \$56,762,321  | \$68,027,392 |
| Federal award funds deobligated                                             | \$6,994,965  | \$0           | \$0          |
| Federal award funds used                                                    | \$50,333,085 | \$56,762,321  | \$68,027,392 |
| Percent of formula award amount used                                        | 72.72%       | 83.55%        | 100.00%      |
| Federal award funds matched but not used                                    | \$6,994,965  | -\$10,113,306 | \$0          |

**Table V.2 Puerto Rico-Combined (PR-C)**  
**Non-Federal Share and Maintenance of Effort—FFYs 2016–2018\***

| <b>Non-Federal Share (Match) and Maintenance of Effort (MOE)</b> | <b>2016</b>   | <b>2017</b>  | <b>2018*</b>  |
|------------------------------------------------------------------|---------------|--------------|---------------|
| Match required per net award amount                              | \$15,515,724  | \$15,362,610 | \$18,411,480  |
| Match provided (actual)                                          | \$15,515,724  | \$12,625,464 | \$18,411,480  |
| Match difference**                                               | \$0           | \$2,737,146  | \$0           |
| Federal funds matched (actual)                                   | \$57,328,050  | \$46,649,015 | \$68,027,392  |
| Percent Federal funds matched                                    | 100.00%       | 82.18%       | 100.00%       |
| MOE required                                                     | \$17,873,199  | \$16,113,991 | \$15,515,724  |
| MOE: Establishment/construction expenditures                     | \$0           | \$0          | \$0           |
| MOE actual                                                       | \$15,515,724  | \$12,625,464 | \$18,518,278  |
| MOE difference**                                                 | - \$2,357,475 | \$3,488,527  | - \$3,002,554 |

\* Indicates the award is currently in an open status. Therefore, data is either not currently available or not final.

\*\* A positive amount indicates a deficit. A negative amount indicates a surplus.

**Table V.3 Puerto Rico-Combined (PR-C)**  
**Program Income and 4<sup>th</sup> Quarter Data—FFYs 2016–2018\***

| <b>Program Income and Carryover</b>                        | <b>2016</b>  | <b>2017</b>  | <b>2018*</b> |
|------------------------------------------------------------|--------------|--------------|--------------|
| Program income received                                    | \$0          | \$0          | \$0          |
| Program income disbursed                                   | \$0          | \$0          | \$0          |
| Program income transferred                                 | \$0          | \$0          | \$0          |
| Program income used for VR program                         | \$0          | \$0          | \$0          |
| Federal grant amount matched (4 <sup>th</sup> quarter)     | \$57,328,050 | \$46,649,015 | \$68,027,392 |
| Federal expenditures (4 <sup>th</sup> quarter)             | \$44,390,595 | \$39,717,107 | \$29,393,820 |
| Federal unliquidated obligations (4 <sup>th</sup> quarter) | \$7,587,087  | \$1,826,853  | \$8,102,380  |

\* Indicates the award is currently in an open status. Therefore, data is either not currently available or not final.